



# Human Services Connection

Spring 2007

A Publication of the North Dakota Department of Human Services

## Executive Director's Message



Carol K. Olson

Now that the 2007 N.D. Legislative Session has adjourned, the Department of Human Services (DHS) is involved in planning to implement new legislative directives, while continuing to manage the health and human services we administer, and providing high quality direct services to thousands of North Dakotans.

Legislative sessions are busy. Staff devote hours to preparing and delivering testimony, monitoring bills related to services, and responding to requests for information. During the session, we tracked or testified on about 263 bills that had the potential to impact services or agency operations.

This newsletter focuses on the bottom line – the funding bills [SB 2012 – the department's appropriation bill, and SB 2024 – the Medicaid Management Information System (MMIS) bill]. Prior to the session, every division, all eight regional human service centers, the State Hospital, and the Developmental Center participated in building the DHS budget proposal. We used stakeholder input, staff recommendations, provider requests, and advocacy group input – gathered through regional meetings and regular communication – to develop funding priorities. Many became Optional Adjustment Requests (OARs), which we submitted along with a base budget built on the 2005-2007 appropriation and adjusted to reflect projected changes in utilization and caseloads.

Governor Hoeven and the Office of Management and Budget added funding to address a number of priority areas and that final product, the Executive Budget, was presented to lawmakers. I commend legislators who worked long and hard on the DHS budget bill. Each "house" made revisions based on their priorities. Policymakers reached a compromise that funds many of the governor's priorities while also establishing some of their own. Allow me to share the highlights.

## Highlights of N.D. Department of Human Services Budget

*Contained in SB 2012 and SB 2024 (the Medicaid Management Information System bill)*

- **Totals \$1.86 billion** with \$583.7 million coming from the general fund (state funds).
- Includes a general fund increase of \$99.8 million.
- Includes an **inflationary increase for providers** of four percent in year one and five percent in year two of the biennium. This includes the counties and regional human service center-contracted providers.
- Includes the **governor's salary recommendation** for state employees and full health insurance coverage, an important element in attracting and retaining staff.

## Aging Services

- Increases the **Telecommunications Equipment Distribution Program** by \$176,600 (due to increased collections by the state Information Technology Department) for a total of \$325,000.
- Includes \$20,000 dedicated to support the work of the **Governor's Committee on Aging**.
- Increases **State Funds for Providers** by \$280,000 for a total of \$1 million to support home-delivered meals and meal sites, outreach services, and health maintenance services provided to senior citizens and younger adults with physical disabilities.

(continued on next page)

## **Budget Highlights continued**

### **Children and Family Services**

- Contains a \$296,773 increase in funding for **Out-of-Home Placement of Seriously Emotionally Disturbed Children** for total funding of \$683,440. This will allow more parents to place their children in in-state facilities without relinquishing custody, so that children can receive needed services.
- Increases funding for the **recruitment and retention of Family Foster Homes** by \$150,000.
- **Increases (by \$100) the payment for each “in-county” child abuse and neglect assessment** completed by the counties.
- Adds \$300,000 to fund the **Healthy Families program** in the Grand Forks region. Intended to prevent child abuse and neglect, the program involves 17 agencies and serves children who are newborns through age three and who reside in at-risk families. Family physicians refer newborns. Services include parent education and other social services.

### **Disability Services**

- Provides increases for **Corporate Guardianship** including funding for 20 new community openings to eliminate the waiting list and provide for 15 additional openings for new referrals. It also increases the rate to \$4.80 per day before the provider inflationary increase.
- Increases funding for the **Interagency Program for Assistive Technology (IPAT)** by \$500,000, and the **Centers for Independent Living** by \$250,000. Both programs help people with disabilities to live more independently.

### **Economic Assistance Policy**

- Provides full funding for the **Indian County Allocation** based on N.D. Century Code – an increase of \$425,026 over the current budget of \$3.1 million.
- Includes **aligning the child care assistance payment structure** with the same age categories as the child care licensure standards.

## **Information Technology Services**

- Includes the necessary funding for the design, development, and implementation of a new **Medicaid Management Information System**, which is used to process claims, to monitor utilization, and to provide other information needed to manage the program. Funding is primarily from Medicaid funds with a matching ratio of 90 percent federal to 10 percent state general fund.

### **Long Term Care**

- Sustains the current eligibility criteria for the state’s Service Payments for the Elderly and Disabled (**SPED**) program that pays for in-home services that help people who are frail and elderly, or disabled to remain living in their homes.
- Increases the fees paid to **Qualified Service Providers (QSPs)** who provide home and community-based care.
- Adds four services to the **Medicaid Waiver for Home and Community-Based Care**:
  - **Home delivered meals** – Provides three meals per week for people with physical disabilities who are younger than age 60.
  - **Family home care for spouses** – Pays spouses for being caregivers to Medicaid clients who have extraordinary care needs and who choose to live at home.
  - **Nurse delegated care** – Allows caregivers who are trained and supervised by nurses to administer medication and provide other medical services.
  - **Adult family foster care respite care** - Increases funding for respite care providers. The increase allows Medicaid to pay providers \$145 for each additional client they serve.
- Funds **home and community-based services** at the anticipated program participation levels.
- Includes the **Developmental Disability (DD) Grants** (payments to DD providers) in this area of the budget. DHS was given authority to access a line of credit at the Bank of North Dakota, if necessary, to meet projected utilization and caseload needs.  
*(continued on next page)*

## **Budget Highlights continued**

- Includes a **\$0.60 per hour increase for employees of Developmental Disability Services providers**. The wage increase is effective July 1, 2007.

### **Medical Services**

- Moves **Children Special Health Services (CSHS)** to the N.D. Department of Health and shifts the appropriation from DHS to that state agency. The screening, diagnostic, and specialized clinics provided by CSHS fill gaps in the delivery and coordination of health care services and this fits the mission of the health department.
- Funds the **Medicare Part D clawback** payment for 24 months versus the 18 months in the current biennium. This is a \$3.3 million increase – all general funds. The “clawback” is the amount N.D. pays to the Federal government for providing prescription drug payments for people who qualify for both Medicare and Medicaid (dual eligibles).

### **Mental Health / Substance Abuse**

- Funds methamphetamine addiction residential treatment services at **Robinson Recovery Center** at \$634,000 to operate for 24 months, and includes another \$700,000 for additional methamphetamine treatment.
- Provides \$2.77 million in general funds for a **community treatment program of up to 140 sex offenders** who are not part of the civilly committed population and were not previously receiving treatment in communities. A private company provides the services.
- Includes the **funds needed to implement child health coverage policy changes** included in HB 1463 if federal enabling legislation passes. This would move the qualifying income for the Children’s Health Insurance Program from 140 percent of poverty to 150 percent and would expand Medicaid eligibility for children ages 6 – 19 years of age to 133 percent of poverty.
- Adds **continuous eligibility** of up to 12 months for children who qualify for Medicaid through two eligibility groups.

### **Human Service Centers**

- Provides funds for the treatment services the centers provide to adult or juvenile drug courts in Bismarck, Fargo, Grand Forks, and Minot.
- Adds funding for more crisis beds in the Fargo region to serve people with serious mental illness and chronic substance abuse disorders; creates more residential beds for the seriously mentally ill in the Grand Forks region; and enhances adolescent substance abuse treatment in the Bismarck region.

### **Institutions**

- Provides \$1.1 million to transition six or seven Developmental Center residents (voluntarily) to community settings.
- Includes \$4.1 million to expand the State Hospital’s **Secure Services Unit for civilly committed sex offenders** from 42 to 82 beds. The budget also funds necessary security upgrades of facilities and additional security staff.
- Provides funding for needed capital improvements at both Institutions.

### **Other bills with fiscal impacts on the Department of Human Services:**

- HB 1246 Dental bill
- HB 1390 Liability for foster families (*Money is included in SB 2012.*)
- HB 1463 Healthy Steps (SCHIP) and Medicaid expansion (*Most of the money is in SB 2012.*)
- SB 2070 Aging & Disability Resource Center
- SB 2186 Workforce development and TANF child care
- SB 2205 State administration of child support enforcement services
- SB 2312 Alternatives to abortion services
- SB 2326 Medicaid buy-In for children with disabilities and new Medicaid waiver for children with extraordinary healthcare needs who qualify for skilled nursing care

**N.D. Department of Human Services**  
600 E Boulevard Ave, Bismarck ND 58505-0250  
701-328-2310 / TTY 701-328-3480  
[www.nd.gov/humanservices](http://www.nd.gov/humanservices)  
dhseo@nd.gov